I. Call to Order

II. Joint Topic with Audit Committee
   A. FY 2018 Audited Financial Statements

III. FY 2020 Financial Plan

IV. Public Comment

V. Adjournment
University audit completed for FY 2018:
https://fiscal.gmu.edu/generalaccounting/review-financial-statements/

Highlights for the year:

Operating revenues and expenses both increased by $55.1 million, or 8% and 7%, respectively.

Income before other revenues, expenses, gains, and losses increased by $4.2 million.

Unrestricted net position increased by $89.9 million based on FY 2018 operations, offset by OPEB beginning balance restatement of ($122.5 million) for an ending unrestricted net position of $13.3 million.

Auditor of Public Accounts (APA) presentation
Fall 2018 Enrollment over 37,000

69% Full-Time

70% Undergraduates

80% In-State Residents
Accessible, Affordable & High Quality
Fall 2018 Undergraduate Enrollment ~26,000

- 51% Racial/Ethnic Minority
- 36% First Generation
- 13% Age 25 Or Older at Entry
At Mason, Graduation Success Far Exceeds National Averages

Overall Student Graduation Rate

| National 4-Year Public Institutions Graduation Rate |
|------------------|------------------|
| 60%              | 71%              |

<table>
<thead>
<tr>
<th>National Overall Student Graduation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>54%</td>
</tr>
<tr>
<td>Mason Overall Student Graduation Rate</td>
</tr>
<tr>
<td>62%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>National Hispanic Student Graduation Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>62%</td>
</tr>
<tr>
<td>Mason Hispanic Student Graduation Rates</td>
</tr>
<tr>
<td>63%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>National White Student Graduation Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>63%</td>
</tr>
<tr>
<td>Mason White Student Graduation Rates</td>
</tr>
<tr>
<td>71%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>National Black Student Graduation Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>41%</td>
</tr>
<tr>
<td>Mason Black Student Graduation Rates</td>
</tr>
<tr>
<td>72%</td>
</tr>
</tbody>
</table>
40% of Mason students incurred no debt prior to graduation.

Mason’s Default Rate is \(2.3\%\) compared to a National Three-Year Average Default Rate of \(7.1\%\) for Public Universities.

Mason’s in-state, undergraduate tuition is \(72\%\) of the average tuition for Virginia public, doctoral universities.

Source: Common Data Set 2018-19, H5 Dept of Education, Three-year default rate (cohort 2015)
Source: 2018-19 Tuition and Fee Report – Tuition and Total Mandatory Fees
Mason was again named a **Top Tier Research University**, one of 131 nationally, and of 4 in Virginia.

More than **80%** of Mason’s degree earners reported **positive career outcomes** within six months of graduation!

The **Core Campus Project** is a transformational construction project, bringing a state-of-the-art, six-story, 218,000 square foot showcase to the heart of our Fairfax campus.
FY 2019 Revenue Budget $1.06B

- Operating, $136.1
- Philanthropic Activities, $65.0
- Sponsored Research, $115.3
- Community & User Service Fee, $86.2
- Room & Board, $76.5
- Mandatory Student Services & Activity Fees, $97.1
- Tuition, $409.3
- Financial Aid, $26.8
- Capital Improvements, $33.7
- Mason Capital Funds, $17.1
- VA State Funding, 18%
- Enrollment Related Fees, 55%
- All Other Activities, 25%
- Capital, 2%

*pie chart $ in millions*
Decreasing State Funding

George Mason University
General Fund vs. Tuition and Other as a Percent of the E&G Budget

State Appropriations vs. Tuition & Other Percentages Over Time
### Mason FY 2019 Financial Disparity

<table>
<thead>
<tr>
<th>Virginia Public Doctoral Institutions</th>
<th>W&amp;M</th>
<th>UVa</th>
<th>VCU</th>
<th>VT</th>
<th>ODU</th>
<th>Mason</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$8,062</td>
<td>$8,729</td>
<td>$7,396</td>
<td>$7,188</td>
<td>$7,057</td>
<td><strong>$5,687</strong></td>
</tr>
<tr>
<td>In-State Tuition</td>
<td>17,570</td>
<td>14,148</td>
<td>12,247</td>
<td>11,595</td>
<td>7,047</td>
<td><strong>$9,060</strong></td>
</tr>
<tr>
<td>Total</td>
<td>$25,632</td>
<td>$22,877</td>
<td>$19,643</td>
<td>$18,783</td>
<td>$14,104</td>
<td><strong>$14,747</strong></td>
</tr>
</tbody>
</table>

Mason’s total is **73%** of doctoral average (excl. Mason)

General fund estimate is based on SCHEV FTE projection in the 2B report, numbers for all institutions will change with actual revised numbers for FY 2019
Student Enrollment Growth

VA INSTITUTIONS OF HIGHER EDUCATION
STUDENT GROWTH (HEADCOUNT) FALL 2010-FALL 2018

George Mason University has assumed 64.1% of the statewide enrollment growth accommodated in Virginia public four-year institutions since Fall 2010.
Key Financial Plan Drivers & University Goals

Expand Access to Excellence and Transformative Learning
- Increase Financial Aid
- Enhance Student Services
- Keep Tuition Affordable
- Expand Student Access through ADVANCE

Grow Research and Innovation of Consequence
- Support Faculty Research
- Expand Research Infrastructure

Strengthen Thriving, Inclusive Academic Community
- Invest in People
- Increase Minimum Wage and Salaries for all Student Workers

Build Foundation for the Future
- Improve IT Infrastructure
- Upgrade Campus Facilities
FY 2020 Proposed Tuition Plan
FY 2001 - 2019 In-State Tuition and Fees Comparison

Source: SCHEV 2000-01, 2008-09, 2018-19 Tuition and Fee Report – Tuition and Total Mandatory Fees
FY 2020 Major E&G Budget Drivers - Tuition

The decrease in projected tuition revenue in the proposed FY 2020 financial plan ~($9M)

Prior:
- 5% across the board increase of tuition rates
- Align credit hour overload

Proposed:
- 0% undergraduate, 3.5% graduate tuition increase
- General Fund tuition moderation
- Align credit hour overload
FY 2020 Compensation Plan

Instructional/Research Faculty
- Promotion and Tenure
- Faculty Minimums
- 3% Base, 1% Merit Pool

Adjunct Faculty
- Minimum matrix increased 3%
- 3% Base Pool, +

Admin/Professional Faculty
- 3% Base, 1% Merit Pool

Classified Staff
- 2.75% base, 2.25% merit = 5%
- Living Wage: All eligible, full-time benefitted employees paid at least $15/hr.

Non-Student Wage
- 2.75% Base Pool
- Increase minimum from $8/hr. to $9/hr.

Student Wage
- 2.75% Base Pool
- Increase minimum from $8/hr. to $9/hr.
- Does not include CWS due to Financial Aid implications

Graduate Students
- 2.75% Base Pool
- Minimum matrix increased 3%
- Graduate Students $15K A/Y minimum

Note: Specific details to be released first week of April (effective dates, performance evaluation requirements, etc.)
FY 2020 Proposed Additional E&G Revenue Sources

Notes: Prior plan based on Six-Year Plan projections, Chapter 2 Budget, and pay/tuition policy.

Prior plan based on 5% across-the-board tuition increase from Six-Year Plan, Proposed FY 2020 has 3.5% increase on graduate tuition only.

General Assembly Conference report freezes in-state, undergrad tuition, and increases GF $6.5M for tuition affordability.

$5.5M in Chapter 2 budget includes funds for high degree awards.

$4.9M for central share of enrollment growth over FY19 plan, and FY20 anticipated growth.

Align credit hour overload with costs of instruction. Proposed revenue impact: $6.9M less FinAid $2.7M = $4.2M.

The Commonwealth covers ~50% of legislated pay increases. Mason pays ~50% of legislated PLUS 100% of any increase over that.

No increase in healthcare costs, and a two pay-period “healthcare holiday.”

$1M in state interest earnings.
### Proposed FY 2020 Use of Funds

**Proposed FY 2020 Expenses**

<table>
<thead>
<tr>
<th></th>
<th>FY 2020 Prior Plan</th>
<th>Proposed FY 2020 Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Aid</strong></td>
<td>$8M</td>
<td>$6.9M</td>
</tr>
<tr>
<td><strong>Salary Increases</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Faculty 4%</td>
<td>$17.9M</td>
<td>$19.3M</td>
</tr>
<tr>
<td>Classified 4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Classified 5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$30.4M</td>
<td>$30.7M</td>
</tr>
</tbody>
</table>

*Prior FY 2020 plan based on six-year plan projections, Chapter 2 budget, and pay/tuition policy.*
## Proposed FY 2020 E&G Overview

<table>
<thead>
<tr>
<th></th>
<th>FY 2020 PRIOR PLAN</th>
<th>PROPOSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sources</td>
<td>$ 47.1M</td>
<td>$ 40.6M</td>
</tr>
<tr>
<td>Uses</td>
<td>30.4M</td>
<td>30.7M</td>
</tr>
<tr>
<td>Balance Available*</td>
<td>$ 16.7M</td>
<td>$ 9.9M</td>
</tr>
</tbody>
</table>

*Available funds for additional mandatory expenses and strategic investments.
FY 2020 Room and Board Rates – Approved February 27, 2019

<table>
<thead>
<tr>
<th>Room &amp; Board Rates</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman Traditional Double Room</td>
<td>$6,970</td>
<td>$7,105</td>
<td>$135</td>
<td>1.9%</td>
</tr>
<tr>
<td>Independence Meal Plan Board Rate</td>
<td>$4,490</td>
<td>$4,600</td>
<td>$110</td>
<td>2.4%</td>
</tr>
<tr>
<td>Total Room &amp; Board</td>
<td>$11,460</td>
<td>$11,705</td>
<td>$245</td>
<td>2.1%</td>
</tr>
</tbody>
</table>

FY 2020 Proposed Student Fees

<table>
<thead>
<tr>
<th>Student Fees</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time Student</td>
<td>$3,402</td>
<td>$3,504</td>
<td>$102</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

In FY 2020, auxiliary enterprises that are funded by student fees will incur increased costs, requiring additional student fee support.
Mason remains focused on our highest priorities: our students and our people.

The Commonwealth budget provides for a 0% tuition increase for in-state, undergraduate students. Mason also will not increase the tuition rate for out-of-state undergraduate students. This diverges from Mason’s Six-Year Plan increase of 5% across the board.

Strategic discussion and planning continue as decisions are made about funding allocation for mandatory costs and university initiatives.